

Message Text

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PAGE 01 STATE 202252
ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-08 COME-00 TRSE-00 OMB-01
CIAE-00 INR-07 NSAE-00 AID-05 IGA-02 /040 R

XMB

DRAFTED BY XMB: P J MALLOY:CR
APPROVED BY EB/IFD/ODF:MVCREEKMORE
XMB: C NORRIS
EUR/SE:RRDELABARRE (INFO)
-----045892 251036Z /21

R 242149Z AUG 77
FM SECSTATE WASHDC
TO AMEMBASSY ANKARA
INFO AMCONSUL ADANA
AMCONSUL ISTANBUL

UNCLAS STATE 202252

E.O. 11652: N/A

TAGS: EFIN, TU

SUBJECT: EXIM CREDIT NO. 6469 TO MIN FIN, GOT FOR THY
REPLACEMENT AIRCRAFT

REFERENCE: STATE 196622

1. FOLLOWING TELEX SENT FROM NORRIS, EXIMBANK, TO AYGUN,
MINISTRY OF FINANCE: IN ACCORDANCE WITH THE OPERATING
AGREEMENT OF 15 MARCH 1973 BETWEEN THE GOVERNMENT OF
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TURKEY AND THE EXPORT-IMPORT BANK OF THE UNITED STATES,
THIS IS TO INFORM YOU THAT EXIMBANK IS PREPARED TO ISSUE
FORMAL COMMITMENT TO MINISTRY OF FINANCE TO ASSIST IN THE
FINANCING OF DOLS. 3,549,109 IN ADDITIONAL U.S. COSTS OF
ONE BOEING 727 REPLACEMENT JET AIRCRAFT FOR THY ON ESSENT-
IALLY THE FOLLOWING TERMS AND CONDITIONS:

20 PERCENT CASH PAYMENT DOLS. 709,821
40 PERCENT EXIM LOAN AT

8.0 PERCENT INTEREST	1,419,644
40 PERCENT PRIVATE LOAN	
WITHOUT EXIM GUARANTEE	1,419,644

FEE: ONE-HALF OF ONE PERCENT PER ANNUM EXIM LOAN COMMITMENT FEE.

AVAILABILITY DATE: OCTOBER 31, 1978

REPAYMENT: 10 EQUAL SEMIANNUAL INSTALLMENTS BEGINNING FEBRUARY 15, 1979, EXIMBANK TO BE REPAYED FROM LATTER MATURITIES.

OBLIGOR: MINISTRY OF FINANCE ON BEHALF OF GOVERNMENT OF TURKEY

PLEASE NOTIFY US AT YOUR CONVENIENCE WHETHER FINANCE MINISTRY APPROVES ISSUANCE OF COMMITMENT.

2. BANK APPROVED LOAN TO MIN FIN AS OBLIGOR BECAUSE OF POOR STATE OF THY FINANCE, DUE IN LARGE PART TO (A) GOT RESTRAINT ON LEVEL OF DOMESTIC FARES, AND (B) GOT REFUSAL OR INABILITY TO PROVIDE SUBSIDIES TO COVER PAST THY DEFICITS, AS CONTEMPLATED IN EMBODYING LEGISLATION. BANK WAS ON VERGE OF CONDITIONING LOAN APPROVAL ON CORRECTION OF THESE DEFECTS, BUT AGREED TO DEFER, FOR TIME BEING, ON UNCLASSIFIED

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UNDERSTANDING GOT AND THY WILL BEGIN CORRECTION EFFORTS; EXIM STAFF ADVISED TURKISH EMBASSY.

3. TO AVOID FURTHER NEED TO PROVIDE FINANCING OF ADDITIONAL COSTS FOR REPLACEMENT OF AIRCRAFT AS IN SUBJECT TRANSACTION AND CREDIT 6143, EXIMBANK WILL REVIEW THE PROPOSED INSURANCE POLICY FOR THIS REPLACEMENT AIRCRAFT AND THE EXISTING THY INSURANCE POLICIES COVERING OTHER EXIMBANK-FINANCED AIRCRAFT FOR THE PURPOSE OF INCREASING, IF PRACTICABLE, THE AMOUNTS OF ALL-RISK GROUND AND FLIGHT HULL INSURANCE.

4. UNLESS EMBASSY PERCEIVED OBJECTION, REQUEST EMBASSY CONVEY THRUST OF PARA 2 AND 3 TO MIN FIN AND THY. CHRISTOPHER

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CREDIT, AIRCRAFT, LOANS, BANKS
Control Number: n/a
Copy: SINGLE
Sent Date: 24-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE202252
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Document Unique ID: 00
Drafter: P J MALLOY:CR
Enclosure: n/a
Executive Order: N/A
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Film Number: D770307-0214
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770827/aaaaawfj.tel
Line Count: 106
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 96817053-c288-dd11-92da-001cc4696bcc
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Page Count: 2
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Reference: 77 STATE 196622
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 30-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1495345
Secure: OPEN
Status: NATIVE
Subject: EXIM CREDIT NO. 6469 TO MIN FIN, GOT FOR THY REPLACEMENT AIRCRAFT
TAGS: EFIN, TU, XMB
To: ANKARA
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/96817053-c288-dd11-92da-001cc4696bcc
Review Markings:
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